# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## TWENTY-SECOND ANNUAL REPORT

DECEMBER 31ST, 1925

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### DIRECTORS

H. H. WESTINGHOUSE, Chairman of the Board

PAUL J. MYLER, President

L. A. OSBORNE, Vice-President

F. A. MERRICK, Vice-President

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|---|---|---|
| T. AHEARN | N. S. BRADEN, Vice-President | JOHN F. MILLER |
| CHARLES A. TERRY | SIR JOHN M. GIBSON, K. C. M. G. | GENERAL GUY E. TRIPP |

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H. U. HART, General Manager and Chief Engineer

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| H. M. BOSTWICK, Manager of Sales | C. H. O. POOK, Manager of Works |
| GEORGE R. KERR, Treasurer | W. E. SPRAGUE, Secretary |

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PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

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### SALES OFFICES

| | | |
|---|---|---|
| MONTREAL, QUE. | TORONTO, ONT. | WINNIPEG, MAN. |
| HALIFAX, N. S. | OTTAWA, ONT. | CALGARY, ALTA. |
| VANCOUVER, B. C. | FORT WILLIAM, ONT. | EDMONTON, ALTA. |
| | LONDON, ONT. | |

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# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## TWENTY-SECOND ANNUAL REPORT

DECEMBER 31ST, 1925

The Directors submit herewith the Balance Sheet of the Company at the close of the fiscal year ended December 31st, and a statement of the Profit and Loss Account. These show earnings for the year amounting to $1,473,386.83, from which the sum of $245,000 has been written off for depreciation of property and plant, and a provision made of $131,000 for the payment of Dominion Taxes for 1925, also $20,000 has been transferred to the Pension Fund, leaving net profits of $1,077,386.83.

Dividends at the rate of eight per cent. and an extra dividend of two per cent. were paid, amounting to $743,290.00, leaving a balance of $334,096.83 carried forward to Profit and Loss, which account shows as of December 31st, 1925, a surplus of $3,621,541.25.

Throughout the year, general business activity in the Dominion was less than in the preceding year. The upward trend in business conditions at the end of 1924, noted in the Annual Report for the previous year, did not prove to be of sufficient strength or duration to effect material improvement during the current year throughout the Dominion. A contributing cause to this end was undoubtedly the uncertainty that always prevails in industrial affairs during an election year; coupled with which was some apprehension as to the definite tariff policy that would be pursued. The indecisive result of the elections held in October has arrested recovery from these unsettled conditions.

A factor unfavorably affecting your Company's business, and having also a very potent negative tendency in general business conditions, has been the continued absence of the transportation companies from the market for rolling stock for renewals or additions to their equipment. This, however, is a condition that obviously will not continue indefinitely, and its disappearance will affect favorably both the commerce of the country and the future operations of your Company.

The diminution in domestic trade and commerce reflected itself in a proportionate curtailment of production and profits realized by your Company. Of assistance in keeping up the volume of business within a reasonable degree of the year preceding were orders booked in 1923 and 1924 for large generators and other apparatus, delivery of which extended into 1925; and during the closing weeks of the year under review additional orders for large apparatus were awarded us, which are now in the preliminary stages of fabrication for delivery in 1926.

Notable among the year's activities was the considerable amount of business booked by your Company incident to the establishment of new pulp and paper plants, and of extensions and additions to plants already in existence. These remarks apply equally to water power developments, a great many of the existing power companies throughout the country having added to their generating and distributing equipment. The availability of surplus power from these extensions has brought to Canada from the United States several large manufacturing interests that require large blocks of power for their operation.

Throughout the year there has been strict adherence to the policy of meeting deliveries promptly and furnishing apparatus in keeping with the Westinghouse reputation, which, combined with a high degree of engineering skill in working out the technical problems confronting us, has resulted in our securing our due proportion of the business offering.

In accordance with established practice, all inventories taken into the Balance Sheet have been verified by phsyical count and priced at the lower of either cost or market value.

The Board of Directors desires to record its appreciation of the loyal and efficient services of the supervising and operating forces in all branches of the Company's activities throughout the year.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman.

# ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1925

## GENERAL BALANCE SHEET

| | | | |
|---|---|---|---|
| **ASSETS:—** | | | |
| CASH | | $1,623,923.31 | |
| DOMINION WAR LOAN BONDS, ETC. | | 282,431.13 | |
| ACCOUNTS AND BILLS RECEIVABLE | | 1,751,701.01 | |
| PROPERTY AND PLANT | | | |
| Hamilton:—Real Estate; Factories and Office Buildings; Machinery; Tools and Equipment, etc. | $5,355,942.79 | | |
| District Offices:—Real Estate and Buildings | 175,984.93 | | |
| Patents, Rights and Licenses | 500,000.00 | | |
| | $6,031,927.72 | | |
| Written off for Depreciation | 245,000.00 | 5,786,927.72 | |
| INVENTORY OF MATERIALS AND PRODUCTS ON HAND INCLUDING WORK IN PROCESS, LESS COLLECTIONS ON ACCOUNT | | 3,286,453.62 | |
| INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE | | 38,354.40 | $12,769,791.19 |
| **LIABILITIES:—** | | | |
| CAPITAL STOCK | | | |
| Authorized | $10,000,000.00 | | |
| Issued | | $7,432,900.00 | |
| CURRENT ACCOUNTS PAYABLE | | 459,577.53 | |
| DIVIDEND NO. 85 PAYABLE JANUARY 1ST, 1926 | | 297,316.00 | |
| CONTRACTS IN PROGRESS | | 227,456.41 | |
| RESERVE FOR DEPRECIATION | | 600,000.00 | |
| PROVISION FOR DOMINION TAXES, 1925 | | 131,000.00 | |
| PROFIT AND LOSS ACCOUNT | | 3,621,541.25 | $12,769,791.19 |

## PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

| | | | |
|---|---|---|---|
| BALANCE BROUGHT FORWARD JANUARY 1ST, 1925 | | | $ 3,287,444.42 |
| EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1925 | | | |
| From Manufacturing Operations | | $2,466,955.61 | |
| Administration, Selling and General Expenses, Taxes, and Provision for Doubtful Accounts, etc. | | 1,069,754.82 | |
| | | 1,397,200.79 | |
| From Interest on Dominion War Loan Bonds | | 16,292.81 | |
| From Bank Interest and Miscellaneous Earnings | | 59,893.23 | |
| | | 1,473,386.83 | |
| Written off for Depreciation | $245,000.00 | | |
| For Dominion Taxes, 1925 | 131,000.00 | | |
| To Pension Fund | 20,000.00 | 396,000.00 | |
| NET EARNINGS | | 1,077,386.83 | |
| LESS DIVIDENDS, 1925 | | 743,290.00 | 334,096.83 |
| BALANCE CARRIED FORWARD JANUARY 1ST, 1926 | | | $ 3,621,541.25 |

PAUL J. MYLER,
*President*

N. S. BRADEN,
*Vice-President*

AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st December, 1925, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

C. S. SCOTT, F.C.A.,
of C. S. Scott & Co.
*Auditor*

Hamilton, Canada, February 22nd, 1926.